



# CHILE - VIETNAM: PERSPECTIVES AND OPPORTUNITIES OF THE FREE TRADE AGREEMENT

---

**RODRIGO YÁÑEZ**

Vice Minister of Trade

Ministry of Foreign Affairs of Chile





## CHILE – VIETNAM FREE TRADE AGREEMENT

- Trade negotiations begun on October 20, 2008 and concluded on June 18, 2011
- There were 8 Rounds of Negotiations
- The FTA was signed during President Piñera's first administration on the margins of APEC 2011, in Hawaii.
- It entered into force on February 4, 2014



Total Trade  
US\$ Millions

1.400

1.200

1.000

800

600

400

200

2003

2004

2005

2006

2007

2008

2009

2010

2011

2012

2013

2014

2015

2016

2017

Trade

Exports

Non Copper Export

Imports

FTA

**US\$ 1,170 Millions**  
(Total Trade 2017)

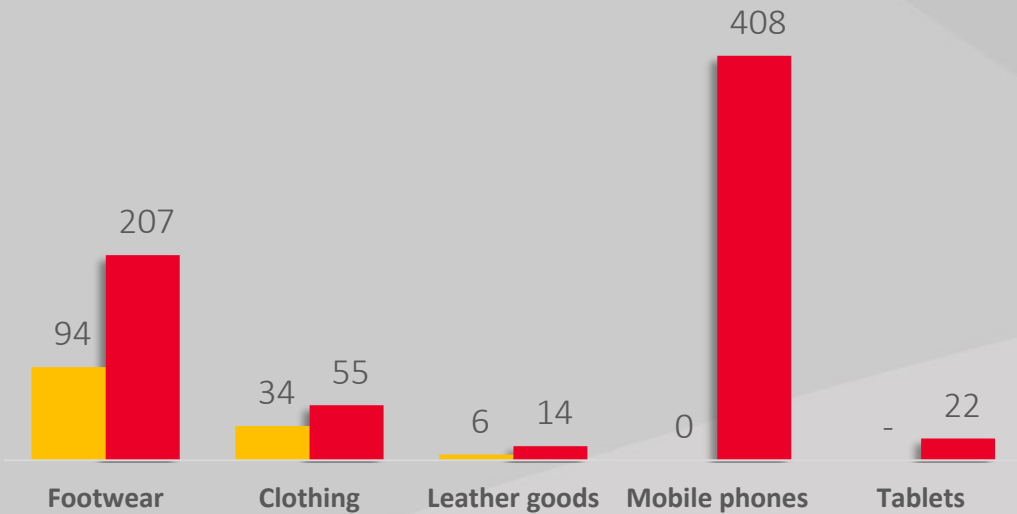
**34% imports growth**

**Non Copper exports have  
grown 7% annually**

## TRADE DINAMISM AFTER THE FTA ENTERED INTO FORCE

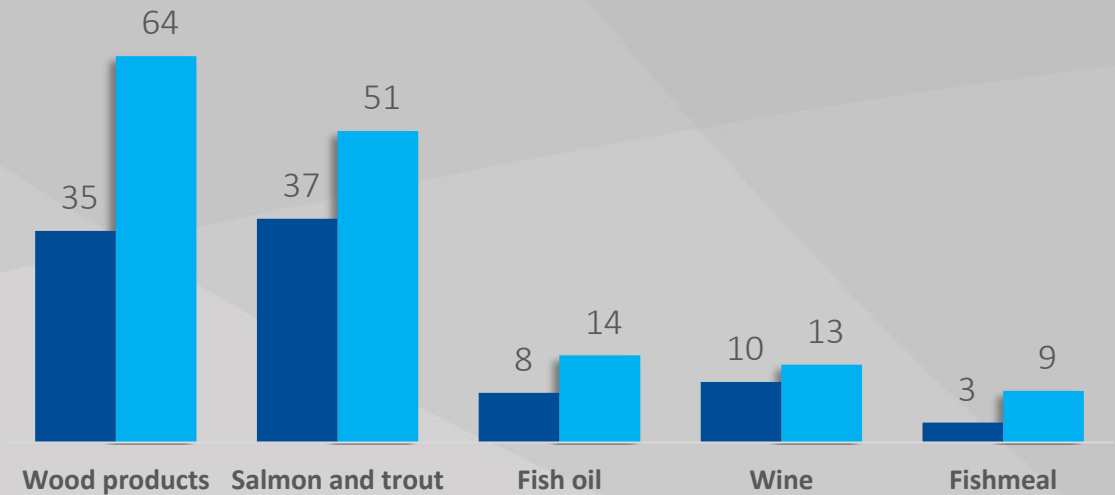
Main imports from Vietnam  
(US\$ millions)

■ 2013 ■ 2017



Main exports to Vietnam  
(US\$ millions)

■ 2013 ■ 2017



Vietnam is our **LARGEST SUPPLIER** of “frozen pangasius fillets” and “phosphorus”.

... Also is our **second main supplier of mobile phones** (second only to China).



Frozen Pangasius fillets (US\$ 7 millions)



Mobile phones (US\$ 408 millions)



## OTHER DISCIPLINES



- Beside trade in goods, there are other disciplines such as **Technical Barriers to Trade (TBT)** and **Sanitary and Phytosanitary Measures (SPS)**.
- A **Cooperation** chapter was also included, with the objective of further enhancing trade and investment opportunities, the promotion of competitiveness and innovation, among other issues.

## THE AGREEMENT COVERS A UNIVERSE OF MORE THAN 9,000 PRODUCTS

### FOR CHILEAN EXPORTS:

- Bovine meat & pork
- Dairy products
- Fruits, among others.

*that will benefit from zero tariff in the years 7 and 15 (since the beginning of the Agreement).*

### FOR VIETNAMESE EXPORTS:

- Coffee & Tea
- Printers and cameras,
- Vietnamese footwear, among others.

*that before the Agreement faced a 6% tariff in chilean market, now faces a 0 tariff.*

## THE AGREEMENT COVERS A UNIVERSE OF MORE THAN 9,000 PRODUCTS

### CHILE TARIFF ELIMINATION SCHEDULE FOR VIET NAM

Category	N° Tariff Lines	%
Entry into force	6.585	84,6%
Year 5 (2018)	491	6,3%
Year 10	646	8,3%
Exclusions	63	0,8%
Total	7.785	100%

### VIET NAM TARIFF ELIMINATION SCHEDULE FOR CHILE

Category	N° Tariff lines	%
Entry Into Force	2.697	28,4%
5 years (2018)	475	5,0%
7 years	678	7,2%
10 years	4.102	43,3%
13 years	269	2,8%
15 years	173	1,8%
Partials	495	5,2%
Stand still	209	2,2%
Excluded	382	4,0%
Total	9.480	100,0%



## FREE TRADE COMMISSION (FTC) OUTCOMES

- Two Free Trade Commissions have been held (Santiago, 2014; Hanoi, 2016).
- The third FTC is currently taking place in Santiago (July 4 and 5).
- There will be bilateral meetings of Trade in Goods and SPS Committees:
  - The Trade in Goods Committee will address market access issues.
  - The SPS Committee meeting has been convened to revise and examine pending issues such as:
    - Vietnamese restrictions to Chilean fruit exports, such as Apples, Cherries and Kiwis.
    - Sanitary Certificates in the case of Dairy Products.
    - Market Access to meat products, such as Bovine, Swine, Sheep and Chicken Meat.

## CHILEAN EXPORT PROMOTION ACTIVITIES IN VIET NAM

- Chilean Wine Tour, 2015.
- Seminar & Business Round Forestry Sector, 2015.
- Promotional Event, “Foods from Chile”, 2016.
- Presentation of the winemaking from Talca Region, 2016.
- Chile – Viet Nam FTA Business Opportunities, 2017.
- Food & Wine event, 2018.



## CHALLENGES AHEAD

- Further reduction of Trade and Non Trade Barriers for enhancing trading opportunities for our countries.
- Evolve towards a modernized FTA that includes Services and Investments.
- Entry into force of the CPTPP
- Building upon Viet Nam's APEC 2017 experience, in order to organize APEC Chile 2019





**RODRIGO YÁÑEZ BENÍTEZ**  
Vice Minister of Trade  
Ministry of Foreign Affairs of Chile

